

# Financial context for innovation in forestry: European view



5th Edition of the Forest Innovation  
Workshop

The role of innovation in managing  
new challenges in the forest-based  
sector at regional level in the EU

Brussels, 18 January 2022

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1. Introduction to EIB
2. EIB financial instruments
3. EIB's financing to forest-based bioeconomy
4. Financing innovation (project examples)
5. Outlook: Key investment areas

# The EIB Group



- Natural financing arm for the EU since 1958
- Support EU territorial integration and implementation of EU public policy
- Shareholders: 27 EU Member States
- EUR 60-70 bn p.a. commitments during the past 5 years, 8-10 % of which to the Bioeconomy
- Around 90 % of lending is within the EU
- Since 2019 - EU Climate Bank: Investing in Europe's sustainable, climate neutral growth

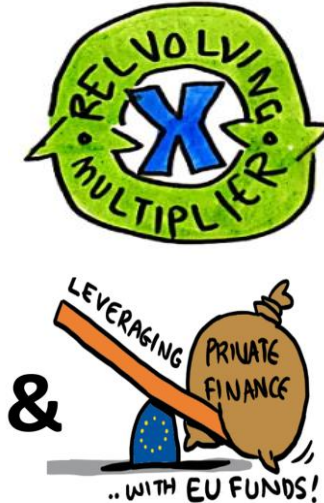
## Lending

## Blending

## Advisory

### Policy Windows:

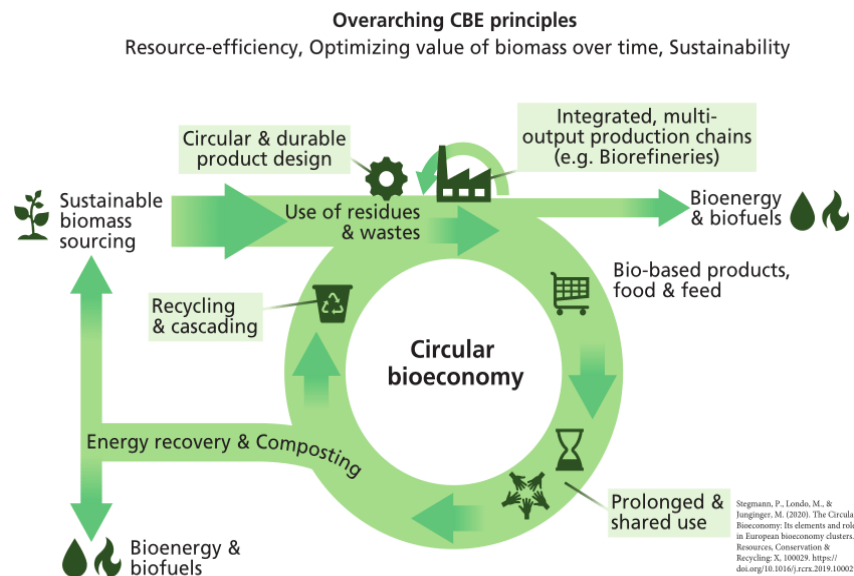
- SMEs-Midcaps
  - RDI for all type of promoters
  - Sustainable Natural Resources use
  - Sustainable Renewable Energy
  - Territorial Integration: Sustainable Cities and Regions
- 
- Climate Action + Environmental Sustainability
  - Cohesion + Development Mandates



# Alignment with EU Policy Objectives

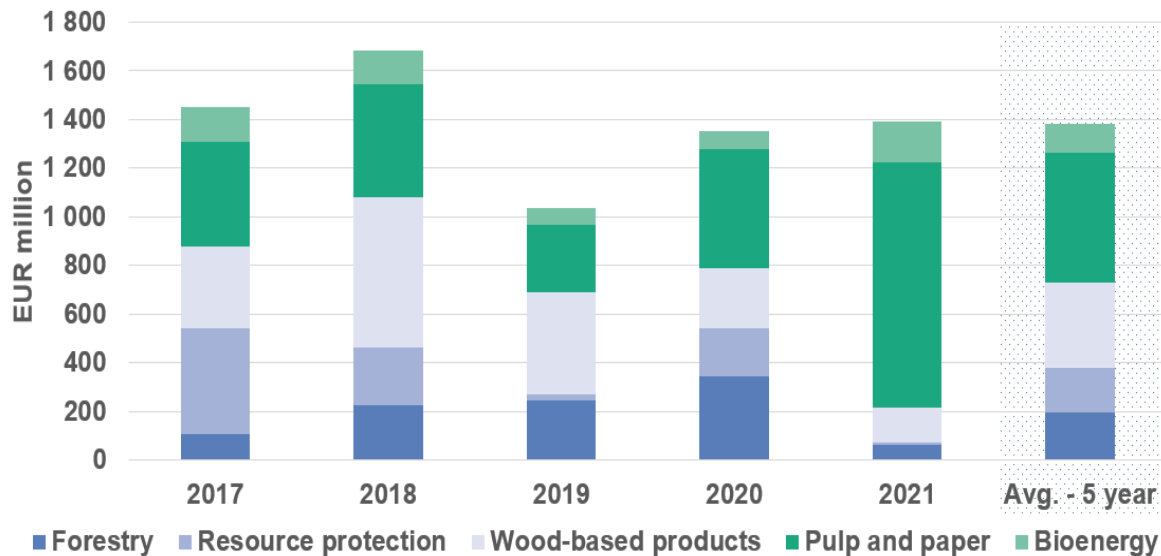
## EIB financing to forest-based bioeconomy

- ✓ **Substantial financial support** to long-term investments in the **forest-based bioeconomy**
  - ✓ Sustainable production and re-use of renewable natural resources
  - ✓ Substitution of fossil resources
  - ✓ GHG emissions reduction
  - ✓ **Promote RDI / innovation**
  - ✓ Job creation, sustainable economic growth and social cohesion in rural areas
  - ✓ Contributing to objectives of EU Green Deal, EU Agenda 2030 and UN SDGs



# EIB lending to forest-based bioeconomy

Total EIB lending 2017-2021: ca. EUR 7 billion



# Examples of EIB financed projects

## Essity Health & Hygiene RDI

The project comprises a selection of the promoter's planned expenditures in Research, Development and Innovation (RDI) focusing on personal care and consumer tissue products.



Sweden, Germany, France

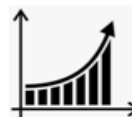
300M EUR



**GHG emissions reduction:**  
Estimated 20% reduction of the carbon footprint in major business areas



**Production of sustainable and renewable forest products and developing circular packing solutions**



**Significant efficiencies:**  
Heat & water savings, more resource efficient production

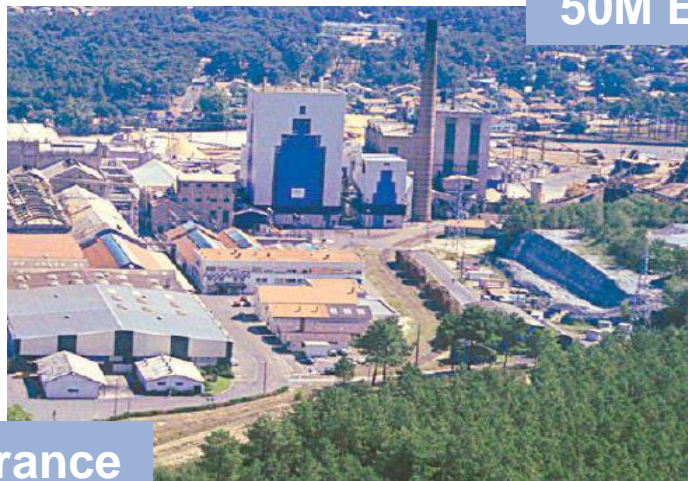


**630 FTE professional jobs** in RDI are secured over project life 2021-24



## Gascogne Paper Factory

The project comprises the construction and operation of a new paper machine for the production of specialized paper aimed at replacing three ageing paper machines



50M EUR

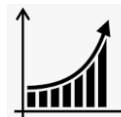
France



**GHG emissions reduction:** relative emission savings -1.1 ktCO<sub>2</sub> p.a.



**Production of sustainable and renewable paper products** and developing circular packing solutions



**Significant efficiencies:**  
Saving of 160 000 m<sup>3</sup> of water per year, reduced steam and energy consumption



**330 person years** temporary jobs during construction and securing green jobs in the local forest sector





## Östrand mill upgrade and forestry

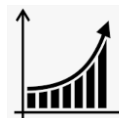
Upgrading a pulp mill focusing on Renewable Energy, Energy Efficiency and Environmental Protection measures. Replanting 68 000 ha of forests, upgrading 4 250 km of forest roads and 5 forest terminals.



GHG emissions reduction



**Vertical integration** in forest industry and production of **sustainable and renewable** forest products



**Significant efficiencies:**  
Heat savings, green electricity prod. & water savings



**670 new jobs** in rural economy (and over **1 500 jobs** secured in the upstream/downstream value chain)



150M EUR



Sweden

### Key focus areas for investment:

- Promoting SFM – Forest Europe criteria, certification schemes (FSC/PEFC)
- Enhancing Ecosystem Services – Biodiversity, carbon, water, soil, NBS
- Ecosystem restoration: re-/afforestation, reclamation/rehabilitation of degraded lands
- Carbon farming: carbon sequestration, forest resilience and adaptation
- Upgrading forest infrastructure & equipment: forest roads, firebreaks, machinery, etc.
- Digital forestry: remote sensing, GIS, digitalization, artificial intelligence

### Key focus areas for investment

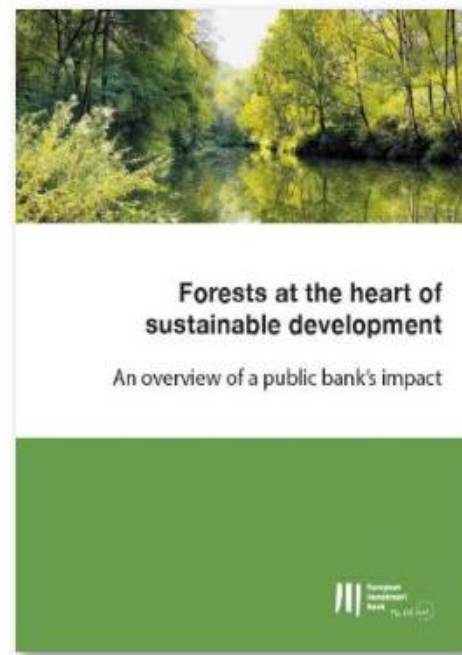
- Modernization/upgrading processing industries
- Decarbonization measures
- Pollution prevention measures
- Resource efficiency measures
- OCC/recycled paper/packaging solutions
- Development/manufacturing of innovative/recyclable/compostable bio-based products
- Bioenergy uptake on harvesting/forest biomass/wood processing residues

# Recent forestry publications

- [Forests at the heart of sustainable development: Investing in forests to meet biodiversity and climate goals \(eib.org\)](#)



- [Forests at the heart of sustainable development: An overview of a public bank's impact \(eib.org\)](#)



EIB in cooperation with EC/DG AGRI just launched a “**Scoping study of a Forestry Investment Advisory Programme in the EU**” with the following main objectives:

- contribute to the mobilisation of public and private sustainable investments in forestry and the wider forest-based bio-economy in the EU
- structure projects for financing by the EIB, National Promotional Banks, commercial Financial Institutions, EU funding programmes or other relevant financial instruments.

Further info:

<https://etendering.ted.europa.eu/cft/cft-display.html?cftId=11994>

# Thank you for your attention!



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